

# VALUE IN TREASURY

**T**reasurers are currently facing a difficult commercial environment in which to run a treasury department. There are significant challenges, with the focus on cost reduction in many companies, reduced availability of credit, tight cash flows and an emphasis on risk and corporate governance issues. This means that treasurers must aim to deliver responsive and value-adding services to their organisations at the most cost-effective price available.

This Spotlight looks at some of the ways in which treasurers can improve efficiency, control costs and underline the business case for treasury, whilst maintaining effective working relationships with both external suppliers and internal customers.

The opening article comes from **David Harrison**, who focuses on the main areas to reduce costs and improve efficiency within a treasury department. He also discusses current practice and the potential difficulties faced by treasurers.

Next, **Michael MacCallan** talks about the business case for treasury and highlights the need to remind senior management of the 'value-added' side of treasury, particularly when a business is facing external pressures.

Outsourcing is one potential way to reduce costs and improve efficiency within a treasury department and we have included a series of three articles on this topic. Firstly, **Jack Large** updates his survey on treasury outsourcing for 2003 and gives some useful insights into the reasons behind a company deciding to use these services.

**Teri Barlow** then discusses her practical experiences as treasurer when implementing the outsourcing of a treasury function, whilst retaining certain key elements in-house.

Finally on outsourcing, **Brian Feighan** and **Declan Lynch** provide a supplier's view on the outsourcing process, suggesting that a purely cost-driven focus can limit the opportunities open to a treasurer.

In an environment of cost cutting, treasurers must not lose sight of the importance of maintaining effective bank relationships. **John Steedman** suggests that a good understanding of how a bank works will help a treasurer to establish a decent service level at a reasonable price.

With budget constraints on technology investment, **Thomas Bergqvist** explains how to justify this investment by focusing on the ways in which technology can help meet the changing demands on a treasurer. In our last article, **Lucille Herrmann** reviews the benefits of interim treasurers to meet short-term needs when permanent recruitment is on hold.

Guy Rostron is a member of the ACT Editorial and Publications Committee.

**guy.rostron@  
btopenworld.com**

